

# **Exhibit W**

1 UNITED STATES BANKRUPTCY COURT  
2 CENTRAL DISTRICT OF CALIFORNIA  
3 SANTA ANA DIVISION  
4

5 In Re: ) Case No.  
6 LBREP/L-SunCal Master I, LLC, ) 8:08-15588 (ES)  
7 et al., ) (Jointly  
8 Debtor, ) Administered)  
9 \_\_\_\_\_ )  
10 Affects All Debtors. ) Chapter 11  
11 \_\_\_\_\_ )  
12  
13  
14  
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16 DEPOSITION OF ALFRED H. SIEGEL, taken  
17 at 15233 Ventura Boulevard, 9th Floor,  
18 Sherman Oaks, California, commencing at  
19 9:45 A.M., Tuesday, November 30, 2010,  
20 before Kathleen E. Barney, CSR #5698.  
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22  
23  
24

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23 ALSO PRESENT:

24          DAVID WEST, Videographer

25

1 BY MR. KEEGAN:

2 Q. Are you going to answer the question?

3 A. I've been instructed not to.

4 MR. KEEGAN: Evan, part of our defense, our  
5 opposition to your settlement motion is that this 11:50  
6 settlement prejudices LBREP Lakeside because it does  
7 not allocate proportionate liability.

8 This is a cause of action, breach of  
9 fiduciary duty, for the 144-million-dollar dividend  
10 that you asserted against both LBREP Lakeside and 11:50  
11 LCPI. You've resolved that claim against LCPI.  
12 It's still outstanding against LBREP Lakeside.  
13 We're entitled to ask questions about it and we're  
14 entitled to know about the extent of the  
15 investigation of the fiduciary duty claim against 11:51  
16 LCPI that you are planning to settle.

17 MR. SMILEY: I've read -- first, I'm not  
18 sure if it was in the pleading or maybe it was in  
19 the objection to the disclosure statement, but we're  
20 not seeking under the California Civil Code or Civil 11:51  
21 Procedure Code a finding of a good faith settlement.  
22 So we really have no intention of in any way  
23 affecting the rights of Lakeside under this  
24 compromise motion under Bankruptcy Rule 9019.

25 So I don't -- I don't really understand how 11:51

1 BY MR. KEEGAN:

2 Q. We can go through the math. I think I'm  
3 right.

4 A. I believe that's correct. If they're going  
5 to obtain 50 percent of the proceeds after costs, so 14:56  
6 if the proceeds are larger, then by definition they  
7 would receive more money.

8 Q. They get half the pie and if the pie is  
9 bigger, they get more pie?

10 A. Okay. That's an interesting analogy, but 14:56  
11 okay.

12 Q. Too much pumpkin.

13 We've already talked about this a little  
14 bit, but it's my last page of questions, so bear  
15 with me. 14:57

16 The amended settlement agreement doesn't  
17 impact third-party claims against LCPI, correct?

18 A. Correct.

19 Q. And nothing in the plan of reorganization  
20 or the settlement agreement waives LBREP Lakeside's 14:57  
21 claims for contribution or indemnification, right?

22 A. As far as I know, yes, that's correct.

23 Q. It was never your intention to release or  
24 waive LBREP Lakeside's contribution claims against  
25 LCPI? 14:57

1 A. No.

2 Q. In analyzing the settlement agreement, did  
3 you determine the total amount of damages arising  
4 from the fraudulent transfer litigation?

5 MR. SMILEY: Objection. Vague as -- vague. 14:57

6 If you understand the question, you can  
7 answer it.

8 BY MR. KEEGAN:

9 Q. I'll focus in on one precise cause of  
10 action. In the original complaint there's a cause 14:58  
11 of action asserted against LCPI and LBREP Lakeside  
12 for breach of fiduciary duty.

13 Do you recall that cause of action?

14 MR. SMILEY: I just want to clarify.

15 You're talking about the draft complaint for 2008? 14:58

16 BY MR. KEEGAN:

17 Q. Do you understand which complaint I'm  
18 referring to?

19 A. Yes, sir.

20 Q. That cause of action was against LBREP 14:58  
21 Lakeside and LCPI for breach of fiduciary duty. Do  
22 you recall that?

23 A. I think we looked over it.

24 Q. And you settled that cause of action

25 against LCPI, correct? 14:58

1 this litigation?

2 MR. SMILEY: Objection. Vague. Are you  
3 referring to Exhibit 5?

4 THE WITNESS: Exhibit 3.

5 MR. SMILEY: I'm sorry, Exhibit 3? 15:12

6 THE WITNESS: I think that's the essence of  
7 the complaint.

8 BY MR. KEEGAN:

9 Q. As between the potential value of the  
10 litigation, did you analyze the proportional 15:12  
11 liability amongst the joint tortfeasors?

12 MR. SMILEY: Objection. Asked and  
13 answered. And to the extent it calls for privileged  
14 information, I'd instruct you not to answer.

15 THE WITNESS: Are you talking -- again, 15:12  
16 you're talking about joint tortfeasors. Are you  
17 talking about specifically in number -- I think the  
18 sixth claim for relief, or are you talking about the  
19 first claim? Because there's different parties  
20 involved. 15:13

21 Maybe I can just cut to the chase. In  
22 terms of did we specify and bifurcate with the  
23 recovery of each one, to my knowledge, no.

24 BY MR. KEEGAN:

25 Q. And the last step, did you quantify the 15:13

1 STATE OF CALIFORNIA )

) ss

2 COUNTY OF LOS ANGELES )

3  
4 I, Kathleen E. Barney, a Certified  
5 Shorthand Reporter, do hereby certify:

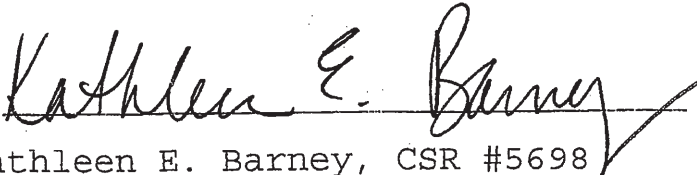
6 That prior to being examined, the witness  
7 in the foregoing proceedings was by me duly sworn to  
8 testify to the truth, the whole truth, and nothing  
9 but the truth;

10 That said proceedings were taken before me  
11 at the time and place therein set forth and were  
12 taken down by me in shorthand and thereafter  
13 transcribed into typewriting under my direction and  
14 supervision;

15 I further certify that I am neither counsel  
16 for, nor related to, any party to said proceedings,  
17 nor in anywise interested in the outcome thereof.

18 In witness whereof, I have hereunto  
19 subscribed my name.

20 Dated: December 1, 2010

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22   
23 Kathleen E. Barney, CSR #5698  
24  
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